DOCUMENT RESUME

ED 387 601 CE 069 923

TITLE	How To Prepare for Block Grants. Policy Update.
INSTITUTION	National Inst. for Literacy, Washington, DC.
SPONS AGENCY	Office of Educational Research and Improvement (ED), Washington, DC.
PUB DATE	95
NOTE	7p.
PUB TYPE	Viewpoints (Opinion/Position Papers, Essays, etc.) (120)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Accountability; Adult Basic Education; *Adult Literacy; *Block Grants; Educational Legislation; Educational Policy; Federal Legislation; *Financial Support; *Grantsmanship; *Literacy Education; Program Administration; *Public Policy

ABSTRACT

This issue brief, which is intended for individuals involved in planning and delivering adult literacy programs, examines several major characteristics of recent House and Senate bills regarding block grants, describes the new requirements of block grants and their potential effects on adult education and literacy services, and suggests actions that literacy practitioners can take to ensure that block grants maximize opportunities for adults seeking to improve their basic skills. First, the current popularity of block grants in Congress is explained. Discussed next are the changes in governance that will occur as a result of the increased use of block grants as a vehicle for funding adult/literacy education and steps literacy practitioners can take to prepare for the changes in governance. Possible negative effects of block grants, including difficulties in sustaining funding over time, are examined along with steps that literacy practitioners can take to prevent funding reductions. The increased importance of accountability under the block grant system of funding education is emphasized, as is the importance of literacy practitioners working at the state and local levels to ensure that their state develops benchmarks that are appropriate, effective, accurate, and easily obtainable by local service providers. (MN)

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NATIONAL INSTITUTE FOR LITERACY

Policy Update

REPORT FROM WASHINGTON, D.C.

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ED 387 601

HOW TO PREPARE FOR BLOCK GRANTS

- PART ONE IN A SERIES -

October 23 -- Both the U.S. House of Representatives and Senate have recently passed legislation that is likely to have important consequences for the adult education and literacy field.

Both pieces of legislation replace current job training, vocational education, and adult education and literacy programs -- including workplace literacy, adult and vocational education state grants, library literacy, prison literacy, and homeless literacy programs -- with one or more block grants to states. Block grants consolidate current "categorical programs" that address a common problem and shift decision-making from the federal government to state governments.

Later this year or early next year, the House and Senate bills will be merged into one final bill that will be sent to President Clinton, who is expected to sign it. The final version of the legislation will not take effect until the Fall of 1996 at the earliest, but it is already clear that, in one form or another, one or more block grants for adult education and literacy are on the horizon.

Although the ultimate effect of block grants on the adult education and literacy delivery system is not yet clear, several themes have emerged from the Senate and House bills that our field must start addressing. In order to maximize the potential of block grants to be a positive opportunity for the literacy field, it is important to begin preparing *now* for the changes that block grants will bring.

The purpose of this issue brief is to look at several major characteristics of the House and Senate bills, describe likely new requirements and their potential effects on adult education and literacy services, and suggest actions you can take now and in the near future to ensure that block grants maximize opportunity for adults seeking to improve their basic skills.

For more information, contact Alice Johnson at 202-632-1500, extension 31

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Block Grants and Their Current Popularity in Congress

Because block grants are intended to encourage innovation and flexibility, they have passed both Houses of Congress with strong bipartisan support. The disagreements between Republicans and Democrats have focused on the specifics of the resulting programs and, most importantly, the funding levels for the consolidated program.

The Senate on October 11 passed Senator Nancy Kassebaum's Workforce Development Act. It consolidates roughly 90 adult education and job training programs. In September, the House passed Rep. Bill Goodling's CAREERS bill, which creates three block grants for the following: adult education and literacy; adult training; and youth development and career preparation. It important to look at actual provisions of the new block grant programs as they evolve and to plan carefully for the new directions and requirements they set.

Block grants are not new to federal policy. In fact, 15 block grant programs with funding of $32 billion are currently in effect. Most of them were created in 1981 when President Reagan and Congress consolidated more than 50 categorical grant programs into 9 block grants. Important lesson can be learned regarding changes in governance, funding levels, and accountability.

GOVERNANCE

Overview

Under both the House and Senate bills, the Governor is likely to play a much larger role in the adult education and literacy delivery system. S/he is also likely to receive more input from the community through new workforce development advisory groups called for in the bills.

The House bill establishes a local workforce development board with representation from education and training, including the following: academic and vocational administrators, members of local school boards, principals, teachers, postsecondary and other adult education administrators and instructors. This includes representatives of community colleges, local education agencies, postsecondary education institutions, and providers of job training and workforce development services.

The Senate bill allows each Governor to establish a state workforce development board comprised of representatives of business and industry, labor, community-based organizations, veterans, the state educational agency, and others.

What You Can Do To Prepare for Changes in Governance

It is vitally important for adult education stakeholders to be at the table of the national, state, and/or local workforce development boards that are likely to be created by the final version of this legislation. It is also important to communicate with all the other members of the workforce development boards -- particularly those who may be unfamiliar with these issues -- about the vital role that adult education and literacy plays in providing people with the skills they need to enter or stay in the workforce.

In addition to continuing to educate your Congressional representative and Senators about education and literacy programs in your state, it is more important than ever to also make this information available to the Governor and members of her/his staff.

FUNDING

Overview

Block grants generally have a hard time sustaining funding over time unless they have a very clear purpose and target population because they dilute the sense that the program has achieved results. For instance, in 1982 -- one year after President Reagan created nine block grants -- the federal government reduced its spending for programs covered by them by 12 percent. It is likely that the block grants now pending in Congress will lead to a 15-20 percent reduction in federal spending on adult education next year alone.

It will be up to individual states to determine whether or not to make up for this shortfall. To offset funding reductions in 1982, Governors used a variety of approaches, such as increasing state taxes and using carry-over funds from categorical programs. In the current political climate, however, it is not likely that many Governors will be willing to raise state taxes in order to make up for the shortfall.

In order to address concerns about funding, the Senate legislation requires states to demonstrate that funding they receive through this bill is used to supplement -- not supplant -- current workforce development efforts in that state. Similarly, the House bill contains language that mandates that states shall match the federal level of funding for adult education and family literacy by a level of 25 percent or more. During the House debate, Governors pushed for a provision that would have allowed them to use adult education and family literacy block grant funds for other unrelated purposes. With support from the literacy field, Rep. Bill Goodling was successful in fighting off these efforts.

Nevertheless, over the long term, it will be tempting for future Congresses to cut federal allocations further as they seek ways to reduce the deficit. Block grants make this easier politically because the impact of the cuts is diluted when they are shared by 51 state programs, making the repercussions on affected individuals less obvious. For the sake of future funding, it is vital to keep a focus on the positive benefits of adult education and literacy efforts on the well-being of *all* citizens of the state.

What You Can Do to Prevent Funding Reductions

Determine who in your state will make funding decisions and start educating them about the importance of investing in literacy. Only if leaders recognize the value this investment in their state and community will they search for offsets for the long-term federal funding reductions.

It is important for adult educators and literacy providers across the state to contact state officials who make education funding decisions. Make sure they are familiar with your program and its successes. Since the final legislation is likely to require the creation of workforce development boards to advise Governors on these issues, pay close attention to the composition of your state's board as it unfolds. Make sure its members are fully informed about your program's efforts and the impact of your work on the state.

Because of the likely federal cuts in funding, most entities that currently receive federal funding through categorical programs will be competing at the state level for a smaller pot of money. This makes it more important than ever to make sure your program can provide documentation of its successes. It is also important to *coordinate and collaborate with* other service providers and not to allow block grants to lead to battles among state officials and local programs over who gets what. **Programs that collaborate with each other and present a unified voice for literacy as they educate Governors and other state decision-makers are likely to be most successful in garnering state support for literacy in general -- and for their specific programs.**

ACCOUNTABILITY

Overview

By blurring the distinction between federal and state roles, block grants make it more difficult to clearly assess the impact of tax dollars on specific problems. Therefore, in order to continue receiving funding, it is more important than ever to measure and be able to demonstrate your program's success.

Both the House and Senate bills measure success largely in terms of economic and employment-related results. The House bill requires states to establish measurable goals, and encourages them to consider the impact of family literacy programs, improved English language skills, and community involvement. The Senate bill has similar provisions and requires states to prepare an annual report that measures the state's progress in meeting benchmarks, which include the number of participants who obtain "meaningful unsubsidized employment."

States will have some flexibility in determining how to measure benchmarks, but are directed to focus on mastery of occupational and industry-wide skills, completion of secondary and postsecondary education, and mastery of "skills adults need to be productive and responsible citizens and to become more actively involved in the education of their children."

What You Can Do to Improve Accountability

Work at the state and local level to ensure that your state develops benchmarks that are appropriate, effective, accurate, and easily-obtainable by local service providers. Begin collecting and disseminating information that demonstrates the effectiveness of your program in helping people to improve their lives -- on the job, in their community and, especially, with their children.

Keep in mind that the final legislation is likely to set aside extra funding specifically for programs that target the hardest to serve populations. The House legislation sets aside three percent of funds to be distributed to local service providers that have provided adult education or family literacy services to targeted adults, defined as "those with more than one barrier to self-sufficiency, families on public assistance, parents who are educationally disadvantaged and who have a child who is 7 years old or younger, and adults with disabilities."

As the process of implementing block grants continues, it is crucial for literacy practitioners to work together to maintain visibility in the community, to raise public awareness of and support for literacy efforts, and to provide documentation of success to policymakers and the local, state, and federal levels.

NOTE: The NIFL is piloting a five-year project in five states -- Hawai'i, Kentucky, New York, and Tennessee -- that will lead to the creation of state literacy accountability systems. These states are designing and implementing performance measurement, reporting, and improvement systems that will enable them to unify goals, consolidate programs, and develop common terminology and compatible technologies. The next step will be to expand this project to involve additional states. In the midst of the ongoing debate about where and how to direct scarce public resources, this project can be an important step in providing documentation that literacy investments are well worth continuing. As this process unfolds, more information will follow, or to receive an update on this project, call 202/632-1500 and choose option 7, then 2.

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